

AMERICAN AUTOMOTIVE LEASING ASSOCIATIONANALYSIS OF COSTS AND RELATED INFORMATIONNON-FINANCE LEASING (CLOSED-END)YEARS 1982 AND 1981INDEX

	<u>Page</u>
Comparative analysis of average per unit per month costs	2
Analysis of per unit per month costs	3
Repairs and maintenance	4
Insurance - collision and comprehensive and umbrella liability	5
License tags, state and local taxes	6
Interest expense	7
General and administrative expenses	8
Composition of fleets	9
Type of customer	10
Used car disposition	11
Leasing and rental activities	12
Record keeping methods	13

COMPARATIVE ANALYSIS OF AVERAGE PER UNIT PER MONTH COSTS

YEARS 1982 AND 1981

	<u>1982</u>	<u>1981</u>	<u>Increase (Decrease)</u>		<u>Percentage of Total</u>
			<u>Amount</u>	<u>Percentage</u>	
<u>Operating costs:</u>					
Depreciation	\$169.18	\$160.33	\$ 8.85	5.5%	65.6%
Repairs and maintenance	33.19	33.57	(.38)	(1.1)	(2.8)
Insurance	14.82	12.93	1.89	14.6	14.0
License tags and taxes	7.84	8.26	(.42)	(5.1)	(3.1)
Interest	63.92	62.56	1.36	2.2	10.1
Delivery	<u>1.67</u>	<u>1.84</u>	(.17)	9.2	(1.3)
<u>Total operating costs</u>	290.62	279.49	11.13	4.0	82.5
General and administrative	<u>29.70</u>	<u>27.33</u>	<u>2.37</u>	8.7	<u>17.5</u>
<u>Total costs</u>	<u>\$320.32</u>	<u>\$306.82</u>	<u>\$13.50</u>	4.4%	<u>100.0%</u>
<u>Average months in operation</u>	28.1	27.3			

ANALYSIS OF PER UNIT PER MONTH COSTS FOR THE YEAR 1982

	<u>Depreciation</u>		<u>Repairs and</u>	<u>Insurance</u>	<u>Tags and</u>	<u>Interest</u>	<u>Delivery</u>	<u>Total</u>	<u>General and</u>	<u>Total</u>	<u>Average</u>
	<u>%</u>	<u>Amount</u>	<u>Maintenance</u>	<u>(Page 5)</u>	<u>Taxes</u>	<u>(Page 7)</u>		<u>Operating</u>	<u>Adminis-</u>	<u>Costs</u>	<u>Months in</u>
<u>Less than 1000 cars</u>			<u>(Page 4)</u>		<u>(Page 6)</u>			<u>Costs</u>	<u>trative</u>		<u>Operation</u>
									<u>(Page 8)</u>		
A	2.50	\$181.88	(\$11.08)	-	\$ 3.72	\$ 63.96	(\$.25)	\$260.89	\$ 34.49	\$295.38	26
B	2.25	170.50	39.79	\$19.28	7.00	69.00	2.09	307.66	30.06	337.72	-
C	2.50	(212.50)	29.29	12.10	-	54.34	-	308.23	24.61	332.84	29
D	2.25	166.25	18.87	(5.60)	2.71	(113.80)	.93	308.16	36.61	344.77	24
E	-	145.00	-	(1.22)	15.20	74.00	-	235.42	(15.83)	251.25	30
F	-	135.00	(2.96)	-	3.00	56.33	(.05)	197.34	(54.32)	251.66	36
<u>Average costs</u>		159.73	29.32	15.69	6.33	63.53	1.51	276.11	31.44	307.55	
<u>1000-1999 cars</u>											
G	2.40	(294.00)	(74.00)	(68.00)	3.00	60.00	-	499.00	(128.00)	627.00	30
H	2.25	197.10	47.30	16.62	4.26	43.79	-	309.07	37.86	346.93	22
<u>Average costs</u>		197.10	47.30	16.62	3.63	51.90	-	316.55	37.86	354.41	
<u>Over 2000 cars</u>											
I	2.10	155.56	30.07	14.53	9.63	59.77	(.26)	269.82	32.01	301.83	30
J	2.00	169.96	-	-	-	61.48	-	231.44	(11.57)	243.01	31
K	2.00	174.48	33.82	11.00	19.98	81.71	1.93	322.92	(39.09)	362.01	28
L	2.50	199.15	31.45	8.25	2.71	62.87	(.22)	304.65	(14.31)	318.96	26
M	2.15	138.95	37.38	12.52	5.49	63.72	-	258.06	18.41	276.47	28
N	2.20	180.00	35.71	20.60	9.50	-	1.00	246.81	24.31	271.12	27
O	2.25	177.02	38.47	17.02	14.61	63.27	3.19	313.58	32.32	345.90	28
P	2.50	(227.68)	-	-	4.93	61.04	(.59)	294.24	18.88	313.12	24
Q	2.05	173.00	29.00	10.00	15.00	72.00	1.00	300.00	31.00	331.00	27
R	1.60	171.00	(69.00)	-	-	(104.00)	2.00	346.00	(45.00)	391.00	33
S	1.91	172.06	27.15	21.05	4.71	75.41	1.21	301.59	35.87	337.46	26
<u>Average costs</u>		171.12	32.88	14.37	9.62	66.81	1.72	296.52	27.54	324.06	
<u>Combined average costs</u>		169.18	33.19	14.82	7.84	63.92	1.67	290.62	29.70	320.32	28.1

REPAIRS AND MAINTENANCE

	Per Unit Per Month Costs										Composition of Fleets				
	Mech. Repairs and Maint.	Lube (Oil and Grease)	Tires	Adm. Salaries	Free Loaner	Total	Maint. Cap or Budget	Limit	Tires	Non-Auth. Repair Limit	Miles Limit Miles Annual	Average Annual Mileage	Full Maintenance %	Non-Maintenance %	
Less than 1000 cars															
A	(\$.78)	-	-	\$ 3.31	\$ 6.99	(\$11.08)	Yes	-	-	\$55	Yes	20,000	40,000	-	100
B	26.10	\$2.10	\$8.19	2.13	1.27	39.79	Yes	Yes	3	50	Yes	25,000	40,000	60	40
C	19.62	-	9.34	(.30)	(.03)	29.29	Yes	Yes	Various	50	Yes	Various	55,000	42	58
D	12.83	(.38)	(1.81)	3.85	-	18.87	No	Yes	4	35	Yes	25,000	25,000	66	34
E	-	-	-	-	-	-	-	Yes	0	50	Yes	30,000	27,000	-	-
F	(.31)	-	-	2.65	-	(2.96)	No	-	-	25	Yes	Various	15,000	8	92
1000-1999 cars															
G	26.00	4.00	-	(19.00)	(25.00)	(74.00)	No	Yes	0	25	Yes	20,000	35,000	60	40
H	35.04	-	8.74	1.78	1.74	47.30	No	Yes	3	40	Yes	Various	24,785	46	54
Over 2000 cars															
I	-	-	-	-	-	30.07	No	-	-	40	Yes	Various	17,000	51	49
J	-	-	-	-	-	-	No	No	-	-	No	-	61,000	-	100
K	24.78	-	7.98	1.06	-	33.82	No	No	-	35	Yes	Various	24,000	97	3
L	28.44	1.31	(1.20)	(.50)	-	31.45	No	Yes	Various	50	Yes	24,000	55,000	46	54
M	26.53	1.17	7.38	2.30	-	37.38	No	Yes	Various	43	Yes	Various	55,000	3	97
N	24.20	2.50	6.26	2.00	.75	35.71	Yes	Yes	Various	50	Yes	Various	51,500	50	50
O	27.09	2.12	6.92	1.72	.62	38.47	Yes	Yes	3	50	Yes	25,000	32,000	40	60
P	-	-	-	-	-	-	No	-	-	-	Yes	20,000	37,000	-	100
Q	20.00	-	9.00	-	-	29.00	Yes	No	-	25	Yes	Various	25,000	36	64
R	37.00	(7.00)	8.00	(12.00)	5.00	(69.00)	No	Yes	2	50	Yes	20,000	17,000	29	71
S	17.64	1.80	3.74	2.67	1.30	27.15	No	Yes	2	25	Yes	24,000	22,000	29	71
Average costs-1982															
	25.00	2.14	7.56	2.35	2.52	33.19									
Average costs-1981															
	23.00	2.40	5.98	2.23	1.55	33.57									

INSURANCE-COLLISION AND COMPREHENSIVE (C&C) AND UMBRELLA LIABILITY

Per Unit Per Month Costs												
	Gross C&C Costs	Less Recoveries	Net C&C Costs	Add Insurance Salaries	Total C&C Costs	Add Umbrella Liability	Total Costs	Self Insured	Charge Back - Deductibles Amount	PL & PD Insurance Available	Umbrella Liab. Coverage Range (Thous.)	
Less than 1000 cars												
A	-	-	-	-	-	-	-	No	Yes \$250	No	-	
B	\$19.14	\$ 4.10	\$15.04	\$2.09	\$17.13	\$2.15	\$19.28	No	Yes 200	No	10,000	
C	10.82	-	10.82	-	10.82	1.28	12.10	Yes	-	Yes	2,000	
D	(4.92)	-	(4.92)	.68	(5.60)	-	(5.60)	Yes	Yes 250	No	-	
E	-	-	-	-	-	1.22	(1.22)	-	-	No	-	
F	-	-	-	-	-	-	-	-	-	-	-	
1000-1999 cars												
G	(67.00)	-	(67.00)	-	(67.00)	1.00	(68.00)	No	Yes 500	Yes	2,000	
H	20.43	8.97	11.46	5.16	(16.62)	-	(16.62)	Yes	Yes 250	Yes	1,000	
Over 2000 cars												
I	13.07	-	13.07	1.07	14.14	.39	14.53	Yes	-	Yes	2,000	
J	-	-	-	-	-	-	-	No	-	Yes	-	
K	19.05	10.14	8.91	(.02)	8.93	2.07	11.00	Yes	Yes 250	Yes	10,000	
L	7.38	-	7.38	.87	8.25	-	8.25	Yes	Yes 100	No	500 - 25,000	
M	10.21	(.49)	9.72	2.39	12.11	.41	12.52	Yes	Yes 250	Yes	6,000	
N	21.00	3.24	17.76	1.50	19.26	1.34	20.60	No	Yes 250	Yes	5,000	
O	19.13	6.19	12.94	2.15	15.09	1.93	17.02	Yes	Yes 250	Yes	10,000	
P	-	-	-	-	-	-	-	Yes	No	No	-	
Q	-	-	-	-	-	-	10.00	Yes	Yes 200	Yes	1,000 - 2,000	
R	-	-	-	-	-	-	-	No	No	No	1,000	
S	21.53	1.88	19.65	.77	20.42	.63	21.05	Yes	Yes 100	Yes	10,000	
Average costs-1982	16.18	5.75	12.68	1.85	14.28	1.24	14.82					
Average costs-1981	15.26	4.61	11.36	1.71	13.33	1.61	12.93					

LICENSE TAGS, STATE AND LOCAL TAXES

	Per Unit Per Month Costs			Charge Back Taxes to Lessees
	Total	License Tags	State and Local Taxes	
<u>Less than 1000 cars</u>				
A	\$ 3.72	-	-	All
B	7.00	\$4.00	3.00	Portion
C	-	-	-	All
D	2.71			All
E	15.20	1.87	13.33	All
F	3.00	.67	2.33	All
<u>1000-1999 cars</u>				
G	3.00	3.00	-	All
H	4.26	3.62	.64	All
<u>Over 2000 cars</u>				
I	9.63	2.13	7.50	None
J	-	-	-	All
K	19.98	5.08	14.90	Portion
L	2.71	-	-	Portion
M	5.49	5.49	-	All
N	9.50	3.50	6.00	All
O	14.61	4.82	9.79	Portion
P	4.93	-	-	Portion
Q	15.00	2.00	13.00	Portion
R	-	-	-	All
S	4.71	4.71	-	All
<u>Average costs-1982</u>	7.84	3.41	7.83	
<u>Average costs-1981</u>	8.26	3.34	9.56	

TYPE OF CUSTOMER

	INDIVIDUALS	PERCENTAGES OF FLEETS		
		FLEETS OF:		
		2 to 20	21 to 100	Over 100
A	80	20	-	-
B	-	-	-	-
C	95	5	-	-
D	20	75	4	1
E	60	25	15	-
F	69	30	-	1
G	30	60	10	-
H	2	18	60	20
I	85	10	4	1
J	-	1	8	91
K	53	44	3	-
L	-	1	19	80
M	1	2	15	82
N	10	10	60	20
O	5	20	70	5
P	6	22	22	50
Q	20	70	10	-
R	35	40	20	5
S	50	29	20	1

INTEREST EXPENSE

	Per unit Per Month Costs	Percentage of Car Cost Financed	Average Monthly Loan Amortization %	Average Simple Interest Rate %	Percentage Over Prime Rate	Compensating Balance Required % of Loan Balance	Loan Commitment Fee Required
<u>Less than 1000 cars</u>							
A	\$63.96	100	2.25	16.00	.25	No	No
B	69.00	100	2.25	16.75	1.00	No	No
C	54.34	Capital Loan		15.50	.25	No	No
D	(113.80)		2.00	17.80	1.25	No	No
E	74.00		2.00	16.50	1.00	Yes	No
F	56.33	62	4.00	11.75	-	No	No
<u>1000-1999 cars</u>							
G	60.00	89	2.50	-	-	No	No
H	43.79	100	2.25	18.25	.50	No	No
<u>Over 2000 cars</u>							
I	59.77	100	2.15	17.40	.50		
J	61.48	100	2.00	15.80	-	No	No
K	81.71	100	2.00	16.00	1.25	No	No
L	62.87	100	2.00	16.75	.25	No	No
M	63.72	100	2.25	16.13	.63	No	No
N	-	100	2.25	17.25	1.00	Yes	Yes
O	63.27	100	2.25	16.00	2.00	No	No
P	61.04	100	-	13.08	-	No	No
Q	72.00	100	2.50	17.72	.75	No	No
R	(104.00)	100	2.00	16.00	1.00	No	No
S	75.41	100	2.25	17.04	.25	No	No
<u>Averages-1982</u>	63.92	96.83%	2.29%	16.21%	.79%		
<u>Averages-1981</u>	62.56	99.31%	2.23%	17.06%	.70%		

GENERAL AND ADMINISTRATIVE EXPENSES
PER UNIT PER MONTH COSTS

	Total	Princi- pal(s) Salary	Adver- tising	Travel & Promo- tion	Tel. & Tel.	Occu- pancy	Office & Postage	Data Process.	Profess. Fees	Adm. Salaries	Sales Salaries	Taxes	Insur- ance	Other
<u>Less than 1000 cars</u>														
A	\$34.49	-	\$3.20	\$.39	\$2.44	-	\$1.72	-	\$1.33	\$ 9.45	\$7.84	\$1.93	-	\$6.19
B	30.06	\$ 6.10	2.00	.98	.87	\$4.00	1.97	-	1.62	10.00	1.00	.79	\$.70	.03
C	24.61	4.73	.04	.65	.66	2.10	1.35	\$1.00	1.14	4.20	3.54	1.23	-	3.97
D	36.61	4.11	.90	1.46	.76	3.92	1.91	-	1.07	5.32	5.57	1.40	1.37	8.82
E	(15.83)	6.68	.44	.80	.16	.50	.51	-	.40	3.30	-	.97	1.22	.85
F	(54.32)	8.76	6.04	.46	3.56	2.73	1.31	1.28	.57	4.67	15.90	7.73	1.31	-
<u>1000-1999 Cars</u>														
G	(128.00)	18.00	1.00	2.00	3.00	31.00	3.00	9.00	8.00	8.00	14.00	9.00	22.00	-
H	37.86	-	2.31	2.78	1.09	3.92	1.93	.84	1.55	13.39	3.75	2.37	2.47	1.46
<u>Over 2000 Cars</u>														
I	32.01	1.10	1.67	.77	.95	2.46	1.64	1.40	.69	9.42	10.18	.24	.54	.95
J	(11.57)	6.66	.04	.69	.50	.34	.37	1.72	.09	.14	-	.59	.28	.15
K	(39.09)	7.05	2.05	1.72	2.32	.57	1.64	1.38	.22	6.63	4.29	1.59	1.99	7.64
L	(14.31)	1.00	.27	.49	.66	.84	1.46	-	1.80	5.43	.22	.49	.40	1.25
M	18.41	1.42	.50	.87	.79	1.05	.79	.77	.15	5.92	3.37	.09	.17	2.52
N	24.31	2.66	.50	1.00	2.00	1.25	1.40	.50	.80	9.20	3.00	.50	.50	1.00
O	32.32	3.02	2.19	1.63	1.33	2.67	1.15	.99	1.02	7.46	8.17	1.19	.50	1.00
P	18.88	-	.52	1.25	1.18	2.61	.92	1.18	.64	9.30	-	.13	.46	.69
Q	31.00	-	-	-	1.00	3.00	1.00	1.00	1.00	9.00	5.00	2.00	4.00	4.00
R	(45.00)	-	2.00	1.00	2.00	5.00	4.00	2.00	1.00	21.00	-	1.00	3.00	3.00
S	35.87	-	2.03	1.30	1.96	2.59	1.59	.97	.96	9.85	5.50	2.55	1.66	4.91
<u>Average costs-1982</u>	29.70													
<u>Average costs-1981</u>	27.33													

COMPOSITION OF FLEETS

	Model Sizes			Air Condi- tioning %	Chevrolet %	Ford %	Chrysler Corp %	Pontiac %	Oldsmobile %	Buick %	Cadillac %	Foreign %	Other %
	Standard %	Inter- mediate %	Compact %										
A	15	75	10	-	58	8	-	3	9	10	7	5	-
B	-	-	-	-	-	-	-	-	-	-	-	-	-
C	15	45	40	99	29	13	6	3	35	11	-	-	3
D	25	50	25	99	25	5	5	15	30	15	1	4	-
E	50	30	20	95	2	7	4	46	6	8	-	24	3
F	30	40	30	100	-	-	-	-	-	-	-	-	-
G	70	20	10	100	27	3	7	7	19	14	14	4	5
H	12	76	12	100	19	11	3	16	25	17	2	1	6
I	31	50	19	99	25	15	4	4	24	11	2	9	6
J	-	-	-	-	24	9	20	8	15	15	1	1	7
K	10	48	42	100	47	3	2	5	20	20	1	2	-
L	12	53	35	100	41	1	1	11	25	19	1	-	1
M	13	35	52	98	22	18	10	4	15	18	3	1	9
N	10	70	20	100	19	2	2	5	30	11	6	20	5
O	18	52	30	95	57	12	3	-	5	5	10	-	8
P	20	42	38	80	23	18	2	7	18	14	2	2	14
Q	12	78	10	87	19	40	6	2	12	8	1	3	9
R	20	60	20	60	77	5	1	-	-	-	-	17	-
S	30	50	20	98	35	15	4	2	18	11	4	9	2
Averages - 1982	23	51	26	94	32	11	5	8	18	12	3	6	5
Averages - 1981	23	51	26	96	32	15	2	5	18	13	3	6	6

USED CAR DISPOSITION

	Reconditioning Prior to Sale			Used Cars Disposed Through						Location Where Cars are Sold		
		% of cars Recondi- tioned	Average Amount	New Car Dealers		Used Car Dealers	Auctions	Lessees and their Employees		Retail	On the Road %	Home Office %
				Sales %	Trade %			%	%			
A	-	-	-	-	-	90	-	-	10	-	100	
B	-	-	-	-	-	-	-	-	-	-	-	
C	No	-	-	-	-	70	20	10	-	20	80	
D	Yes	10	200	-	-	80	-	-	20	40	60	
E	No	-	-	1	-	58	1	40	-	1	99	
F	Yes	90	30	-	-	5	2	1	92	-	100	
G	Yes	100	269	40	-	-	30	-	30	-	100	
H	Yes	35	200	-	-	35	33	29	3	55	45	
I	Yes	17	569	1	-	39	32	1	27	13	87	
J	Yes	10	150	1	-	29	26	44	-	98	2	
K	Yes	25	133	-	-	50	20	20	10	40	60	
L	No	-	-	4	-	53	5	38	-	90	10	
M	Yes	16	140	3	-	40	30	22	5	83	17	
N	No	-	-	10	5	62	15	3	5	70	30	
O	Yes	100	300	-	-	40	10	15	35	25	75	
P	No	-	-	-	-	73	-	27	-	27	73	
Q	Yes	10	200	5	-	35	40	20	-	35	65	
R	Yes	60	200	75	-	-	15	10	-	10	90	
S	Yes	15	300	10	-	60	10	10	10	70	30	
Averages - 1982				8	-	46	16	16	14	38	62	
Averages - 1981				1	4	46	13	16	20	39	61	

BEST AVAILABLE COPY

RECORD KEEPING METHODS

<u>Less than 1000 cars</u>	<u>Non-mechanical (Done by Hand)</u>	<u>Mechanical (Non-Electronic Machinery)</u>	<u>Electronic System-Computer Service Bureau</u>	<u>Own Installation</u>
A			X	X
B	-	-	-	-
C			X	
D				X
E	X			
F			X	
<u>1000 - 1999 cars</u>				
G				X
H		X		
<u>Over 2000 cars</u>				
I				X
J				X
K				X
L				X
M				X
N				X
O				X
P				X
Q				X
R			X	
S				X

LEASING AND RENTAL ACTIVITIES

	<u>Finance Leasing</u>	<u>Daily Car Rental</u>	<u>Daily Truck Rental</u>	<u>Long-term Truck Leasing</u>	<u>Fleet Management</u>	<u>Non-Automotive Equipment Leasing</u>			<u>Own or Affiliation with New Car Dealership</u>
						<u>By Choice</u>	<u>Accommodation</u>		
A	Yes	Yes	No	Yes	No	No	-	-	Yes
B	-	-	-	-	-	-	-	-	-
C	Yes	No	No	Yes	No	Yes	Yes	-	No
D	Yes	Yes	No	Yes	Yes	No	-	-	Yes
E	Yes	No	No	Yes	No	No	-	-	Yes
F	Yes	Yes	No	Yes	No	No	-	-	No
G	No	Yes	Yes	Yes	-	Yes	Yes	-	No
H	Yes	No	Yes	Yes	Yes	No	-	-	No
I	Yes	Yes	No	Yes	Yes	No	-	-	Yes
J	Yes	Yes	No	Yes	Yes	Yes	Yes	-	No
K	Yes	No	No	No	No	No	-	-	No
L	Yes	No	No	Yes	Yes	No	-	-	Yes
M	Yes	No	No	Yes	Yes	Yes	-	Yes	Yes
N	Yes	-	-	-	Yes	Yes	Yes	-	No
O	Yes	No	No	Yes	No	No	-	-	Yes
P	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	No
Q	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
R	Yes	No	No	Yes	Yes	Yes	-	Yes	Yes
S	Yes	No	No	Yes	No	Yes	Yes	-	Yes